BRITISH COLUMBIA
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BC Stats

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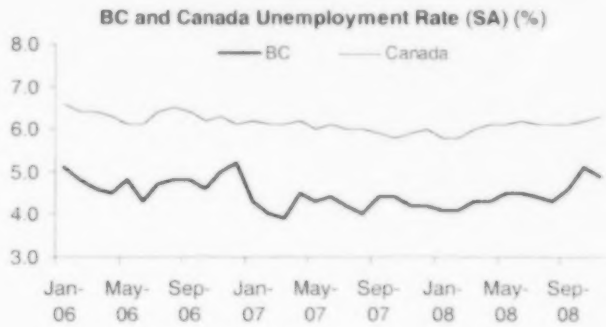
Current Statistics ◆ December 2008

- **British Columbia's unemployment rate dipped back below the five percent level, dropping to 4.9% (*seasonally adjusted*) in November after increasing the previous two months.** The decline was largely due to a reduction in the province's labour force, which shrank by 4,900 people (-0.2%). Employment was virtually unchanged from October (down by 700 people). Although BC continues to have one of the lowest jobless rates in the country, the province has not seen any job growth since July. Labour force growth has stalled and the participation rate (the percentage of the working age population that is in the labour force) has been falling. *Data Source: Statistics Canada*

- **Employment in BC's goods industries dropped sharply for a second straight month (-1.3%) in November as the number of jobs in construction plunged (-3.7%).** However, manufacturing employment increased (+1.0%) for the first time since the summer. A 0.3% increase in the number of service sector jobs offset the weakness in the goods industries. Retail and wholesale trade took on more workers (+1.2%), as did the accommodation & food services (+2.7%) industry. Other industries, including finance, insurance & real estate (+2.8%), professional, scientific & technical services (+4.6%) and management & administrative services (+4.6%) posted significant gains. However, employment in transportation & warehousing shrank 10.6%, posting the biggest one-month drop since at least the beginning of the 1980s. Public administration jobs fell off sharply (-4.5%) as temporary workers hired to help with the federal election in October were laid off.

  There were more part-time (+2.9%) but fewer full-time (-0.7%) jobs in November. For the first time since the summer of 2005, the unemployment rate for young people (aged 15-24) was in the double-digits (10.0%).

  Data Source: Statistics Canada



- **The value of building permits issued by BC municipalities continued to fall (-5.2%, *seasonally adjusted*) in October.** Permits for non-residential projects remained strong (+32.8%) but planned spending on residential buildings (-26.6%) was down substantially. Permits for institutional & government projects soared (+43.5%), as did those for commercial (+30.8%) and industrial (+21.4%) projects. Abbotsford was the only census metropolitan area in the province to see an increase in the value of building permits, more than doubling (+157.1%) construction intentions in October. Conversely, permits were down substantially in Kelowna (-50.1%) and Victoria (-21.0%), while Vancouver recorded a more moderate decline (-4.5%). Canadian permits fell 15.7%. *Data Source: Statistics Canada*

- **The number of housing starts in BC plunged 31.0% in November to 22,300 units (*seasonally adjusted at annual rates*), the second straight month of double-digit declines.** Nationally, housing starts were down 18.8%, with Ontario (-29.3%) and Alberta (-17.4%) contributing greatly to the decline. *Data Source: CMHC*

- **The value of BC's exports totalled $3.1 billion (*seasonally adjusted*) in October, up sharply (+9.0%) from September following two months of declines.** While all commodity groups registered increases, a jump in the value of energy products (+13.8%) accounted for nearly half of the overall increase. Increased machinery, equipment & automotive shipments (+13.5%) as well as industrial & consumer goods (+8.4%) were also prime contributors to the rise in total value of exports. Exports of agriculture & fishing products jumped ahead (+9.7%) while forestry products (+2.3%) were up more modestly.

  Exports to the US surged (+11.0%) in October with a significant rise in energy products (+34.7%) fuelling the increase. Exports to destinations other than the US rose 6.9% as demand for machinery, equipment & automotive goods (+26.4%) and industrial & consumer goods (+17.8%) shot ahead.

  Canadian exports inched ahead for the second straight month in October to $43.5 billion, up 2.5% from September's total. All sectors with the exception of automotive products contributed to gains made. *Data Source: BC Stats & Statistics Canada*

- **Lumber production by BC's sawmills continued to fall, dropping 16.9% in September compared to the same month a year earlier.** While production of lumber at Coastal sawmills nearly doubled (+97.9%), output at Interior mills, representing more than 85% of total production for the province, continued to slide (–23.2%).
  Data Source: SC Cat no. 35-003-XWE

- **Sales by retailers in the province slowed in October, slipping 2.0% (*seasonally adjusted*)** Canadian sales were also down (-0.9%), with increases in the Prairie provinces among those tempering losses in most other regions.
  Data Source: Statistics Canada

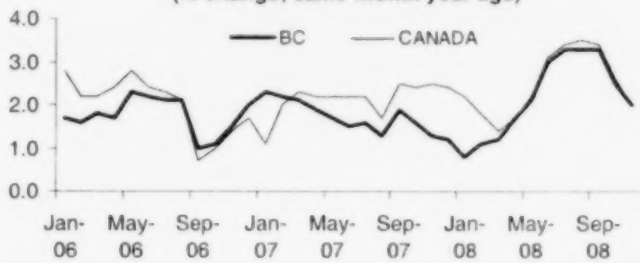
- **Wholesale sales in BC weakened (-1.9%, seasonally adjusted) in October, following a 1.1% decline in the previous month.** Seven provinces saw decreases, with New Brunswick (-4.5%) posting the most significant drop in sales. At the national level, sales were off 1.8%.
  Data Source: Statistics Canada

- **British Columbia's year-over-year inflation rate stood at 2.0% in November, down substantially from October (+2.5%).** The cost of energy products (-2.5%) fell, mainly due to an 8.1% drop in gasoline prices. Prices for electricity (+0.4%), fuel oil (+10.5%) and natural gas (+10.9%) continued to climb, such that the cost of shelter remained higher than in the same month last year (+2.4%). Residents also paid more for other utilities such as water (+8.7%). Overall transportation costs were 1.0% lower, and prices for purchasing a vehicle (-3.4%) were also down. Public transportation, however, remained higher (+7.6%) than in the same month of 2007.

  After climbing 5.3% in October, the cost of food soared 6.2% in November, as both grocery bills (+7.9%) and restaurant meals (+3.0%) were pricier. A hike in the cost of purchasing fresh vegetables (+18.0%) was largely behind the surge. *Data Source: Statistics Canada*

- **The Canadian inflation rate was 2.0% in November.** Although still higher than in the same month of last year, consumer price increases slowed in all provinces, primarily due to falling gasoline and retail prices. Residents of Saskatchewan (+3.2%) recorded the highest rate in the country, while those in New Brunswick (+0.6%) saw the most moderate expansion.
  Data Source: Statistics Canada

BC and Canada Inflation Trend
(% change, same month year ago)



For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

MONTHLY STATISTICS

	UNITS	REFERENCE PERIOD	CURRENT			MONTHLY AVERAGE YEAR-TO-DATE	
			LATEST MONTH	% CHANGE FROM LAST MONTH	% CHANGE FROM YEAR AGO	AMOUNT	% CHANGE FROM YEAR AGO
PRICES							
Consumer Price Index-BC	2002=100	Nov '08	112.3	-0.4	2.0	112.4	2.2
Consumer Price Index-Vancouver	2002=100	Nov '08	112.9	-0.4	2.3	112.9	2.4
Consumer Price Index-Victoria	2002=100	Nov '08	111.9	-0.4	2.1	111.9	1.9
Consumer Price Index-Canada	2002=100	Nov '08	114.1	-0.3	2.0	114.2	2.5
Consumer Price Index-USA	1982-84=100	Nov '08	212.4	-1.9	1.1	215.8	4.2
Industry Price Index-Canada	1997=100	Oct '08	123.0	0.0	9.5	120.9	4.3
LABOUR							
Unemployment Rate (SA)*-BC	Percent	Nov '08	4.9	(5.1)	(4.2)	4.5	(4.2)
Unemployment Rate (SA)-Canada	Percent	Nov '08	6.3	(6.2)	(5.9)	6.1	(6.0)
Unemployment Rate (SA)-USA	Percent	Nov '08	6.7	(6.5)	(4.7)	5.6	(4.6)
Unemployed (SA)-BC	Thousand	Nov '08	119.0	-3.3	18.5	108.2	8.2
Employed (SA)-BC	Thousand	Nov '08	2,310.4	0.0	0.5	2,316.4	2.3
Labour Force (SA)-BC	Thousand	Nov '08	2,429.3	-0.2	1.3	2,424.6	2.6
Participation Rate (SA)-BC	Percent	Nov '08	66.2	(66.4)	(66.7)	66.6	(66.3)
Regular EI Benefits Paid	$Million	Oct '08	50.8	-23.2	15.4	64.8	12.2
Regular EI Beneficiaries	Persons	Oct '08	38,610	12.7	19.5	43,565	7.6
Average Weekly Wage Rate-BC	Dollars	Nov '08	789.82	-0.7	4.8	779.46	4.3
Wages and Salaries-BC (SA)	$Million	Sep '08	7,720.7	0.6	6.3	7,624.6	6.4
Fixed-Weighted Earnings Index-BC	1996=100	Oct '08	120.6	0.2	1.9	120.2	3.4
PRODUCTION - BC							
Lumber-Cubic Metres	Thousand	Oct '08	2,579.2	9.1	-15.0	2,442.7	-23.5
Market Pulp Shipments-Tonnes	Thousand	Oct '08	284	-3.7	-31.4	344	-13.4
Newsprint Shipments-Tonnes	Thousand	Oct '08	45	-19.6	-27.4	52	-29.8
Other Paper Shipments-Tonnes	Thousand	Oct '08	173	6.8	-3.4	161	1.1
Coal-Tonnes	Thousand	Sep '08	2,084.0	-8.6	-10.1	2,283.0	4.6
Oil-Cubic Metres	Thousand	Aug '08	115.7	0.3	-6.6	112.2	-14.9
Natural Gas-Cubic Metres	Million	Feb '08	2,461.2	-14.4	0.6	2,667.8	4.7
Electric Power Generated	GW.h	Sep '08	4,773.7	-13.5	-6.9	5,375.8	-8.2
Manufacturing Shipments (SA)	$Million	Oct '08	3,446.1	0.4	-2.0	3,387.1	-6.2
GENERAL							
Housing Starts-All Areas BC(SAAR)**	Thousand	Nov '08	22.4	-30.7	-55.6	35.9	-9.5
Housing Starts-USA (SAAR)**	Thousand	Nov '08	625.0	-18.9	-47.0	932.0	-32.0
Building Permits-BC (SA)	$Million	Oct '08	863.4	-5.2	-23.5	958.4	-9.5
Residential-BC (SA)	$Million	Oct '08	428.1	-26.6	-49.8	637.7	-12.2
Non-Residential-BC (SA)	$Million	Oct '08	435.4	32.8	57.8	320.7	-3.8
Retail Sales (NAICS) (SA)-BC	$Million	Oct '08	4,679.2	-2.0	-1.1	4,768.6	2.0
Wholesale Trade (NAICS) (SA)-BC	$Million	Oct '08	4,469.4	-1.9	0.1	4,422.9	-1.0
Tourism Room Revenues (SA)-BC	$Thousand	Jun '08	168,851	1.5	4.0	167,880	3.6
Business Bankruptcies-BC	Number	Oct '08	41	-21.2	17.1	38	-0.8
Consumer Bankruptcies-BC	Number	Oct '08	745	11.2	38.7	590	5.4
Incorporations-BC	Number	May '08	2,508	-8.2	-13.1	2,543	-2.3
Exports Originating in BC (SA)	$Million	Oct '08	3,103.9	9.0	27.1	2,764.3	3.8

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*SA indicates seasonal adjustment.

**SAAR indicates seasonally adjusted at annual rates.

Brackets () indicate that rates are shown instead of percentage changes.

ANNUAL STATISTICS

	UNITS	YEAR				PERCENT CHANGE		
		2007	2006	2005	2004	2006-2007	2005-2006	2004-2005
PRICES								
Consumer Price Index-BC	2002=100	110.0	108.1	106.3	104.2	1.8	1.7	2.0
Consumer Price Index-Vancouver	2002=100	110.2	108.0	106.0	104.0	2.0	1.9	1.9
Consumer Price Index-Victoria	2002=100	109.8	108.5	106.9	104.6	1.2	1.5	2.2
Consumer Price Index-Canada	2002=100	111.5	109.1	107.0	104.7	2.2	2.0	2.2
Consumer Price Index-USA*	1982-84=100	207.3	201.6	195.3	188.9	2.9	3.2	3.4
Industry Price Index-Canada*	1997=100	115.6	113.8	111.2	109.5	1.6	2.3	1.6
LABOUR								
Unemployment Rate-BC	Percent	4.2	4.8	5.9	7.2	n/a	n/a	n/a
Unemployment Rate-Canada	Percent	6.0	6.3	6.8	7.2	n/a	n/a	n/a
Unemployment Rate-USA*	Percent	4.6	4.6	5.1	5.5	n/a	n/a	n/a
Unemployed-BC	Thousand	100.0	109.6	132.9	159.2	-8.8	-17.5	-16.5
Employed-BC	Thousand	2,266.3	2,195.5	2,130.5	2,062.7	3.2	3.1	3.3
Labour Force-BC	Thousand	2,366.4	2,305.1	2,263.4	2,221.9	2.7	1.8	1.9
Participation Rate-BC	Percent	66.3	65.7	65.6	65.5	n/a	n/a	n/a
Total EI Benefits Paid-BC*	$Million	1,562.7	1,564.2	1,650.3	1,764.0	-0.1	-5.2	-6.4
Regular EI Benefits Paid-BC*	$Million	694.3	723.7	837.4	960.4	-4.1	-13.6	-12.8
Average Weekly Wage Rate-BC	Dollars	747.84	726.02	704.49	686.74	3.0	3.1	2.6
Wages and Salaries-BC*	$Million	86,781.2	81,623.0	74,454.9	69,606.6	6.3	9.6	7.0
Fixed-Weighted Earnings Index-BC*	1996=100	116.8	112.8	109.0	106.2	3.5	3.5	2.6
PRODUCTION - BC								
Lumber-Cubic Metres*	Thousand	36,677.3	41,050.7	41,012.9	39,879.3	-10.7	0.1	2.8
Market Pulp Shipments-Tonnes*	Thousand	4,717	4,736	4,932	4,724	-0.4	-4.0	4.4
Newsprint Shipments-Tonnes*	Thousand	846	1,059	1,076	1,135	-20.1	-1.6	-5.2
Other Paper Shipments-Tonnes*	Thousand	1,917	1,960	1,877	1,841	-2.2	4.4	2.0
Coal-Tonnes*	Thousand	25,941.0	23,161.0	26,718.0	27,313.0	12.0	-13.3	-2.2
Oil-Cubic Metres*	Thousand	1,529.2	1,670.6	1,765.7	2,019.0	-8.5	-5.4	-12.5
Natural Gas-Cubic Metres*	Million	31,658.2	35,291.7	31,892.8	31,201.3	-10.3	10.7	2.2
Electric Power Generated*	GW.h	72,217.0	62,021.4	67,811.2	60,495.6	16.4	-8.5	12.1
Solid Mineral Shipments	$Million	5,671.6	5,990.6	4,924.8	3,674.5	-5.3	21.6	34.0
Farm Cash Receipts**	$Million	2,415.6	2,288.6	2,372.5	2,359.8	5.5	-3.5	0.5
Manufacturing Shipments*	$Million	42,929.5	44,943.9	42,983.8	41,630.2	-4.5	4.6	3.3
GENERAL								
Housing Starts-All Areas BC**	Thousand	39.2	36.4	34.7	32.9	7.6	5.1	5.3
Housing Starts-USA	Thousand	1,355.0	1,800.9	2,068.3	1,955.8	-24.8	-12.9	5.8
Building Permits-BC*	$Million	12,544.7	11,541.5	10,182.9	7,938.7	8.7	13.3	28.3
Residential-BC*	$Million	8,611.7	7,620.7	6,970.8	5,868.9	13.0	9.3	18.8
Non-Residential-BC*	$Million	3,933.0	3,920.8	3,212.1	2,069.8	0.3	22.1	55.2
Retail Sales (NAICS)-BC*	$Million	56,365.4	52,837.1	49,286.3	47,216.6	6.7	7.2	4.4
Wholesale Trade (NAICS)-BC*	$Million	53,547.7	49,328.3	45,447.4	42,364.8	8.6	8.5	7.3
Tourism Room Revenues-BC*	$Thousand	1,967.9	1,815.3	1,688.3	1,591.0	8.4	7.5	6.1
Business Bankruptcies-BC	Number	470	587	786	922	-19.9	-25.3	-14.8
Consumer Bankruptcies-BC	Number	6,650	7,021	8,173	8,378	-5.3	-14.1	-2.4
Incorporations-BC*	Number	30,841	30,667	28,593	25,428	0.6	7.3	12.4
Exports Originating in BC*	$Million	31,559.3	33,468.2	34,167.3	31,007.8	-5.7	-2.0	10.2
Capital Expenditures-BC	$Million	42,086.1	39,912.2	33,254.2	29,664.7	5.4	20.0	12.1
Population-BC (as at July 1)	2008							
(thousands of persons)	4,381,603	4,310,305	4,243,580	4,196,788	4,155,170	1.6	1.1	1.0
(percent change 2007-2008)	1.7							

* derived from monthly figures

**derived from quarterly figures

dash (-) indicates not available

n/a = not applicable

December 30, 2008

ECONOMIC PERFORMANCE

GROSS DOMESTIC PRODUCT (GDP)

	YEAR				PERCENT CHANGE		
	2007	2006	2005	2004	2006-07	2005-06	2004-05
BRITISH COLUMBIA (Millions $Cdn) *Nov. 2008*							
Gross Domestic Product at Market Prices	192,528	182,743	169,308	157,675	5.4	7.9	7.4
Real Gross Domestic Product **(chained 2002 $)**	164,583	159,733	152,998	146,541	3.0	4.4	4.4
CANADA (Millions $Cdn) *Nov. 2008*							
Gross Domestic Product at Market Prices	1,535,646	1,450,490	1,372,626	1,290,906	5.9	5.7	6.3
Real GDP at Market Prices **(chained 2002 $)**	1,319,681	1,284,819	1,246,064	1,211,239	2.7	3.1	2.9
UNITED STATES (Billions $US) **							
Gross Domestic Product at Market Prices	13,807.5	13,178.4	12,421.9	11,685.9	4.8	6.1	6.3
Real GDP at Market Prices (chained 2000 $US)	11,523.9	11,294.8	10,989.5	10,675.8	2.0	2.8	2.9

*** US Department of Commerce (actual) July 2008*

INTEREST AND EXCHANGE RATES

(Source: Bank of Canada)

	Dec. 24/08	Dec. 17/08	Nov. 26/08	Dec. 26/07 (Dec. 24/07)
	PERCENT PER ANNUM			
CANADA				
Prime Business Rate	3.50	3.50	4.00	6.00
Bank Rate	1.75	1.75	2.50	4.50
Marketable Government Bond Rate (over 10 years)	3.53	3.57	4.00	4.18
Conventional Mortgages - 1 Year	5.60	5.60	6.35	7.35
- 5 Years	6.75	6.75	7.20	7.54
UNITED STATES				
Prime Rate	3.25	3.25	4.00	7.25
EXCHANGE RATES	AVERAGE NOON SPOT RATE			
US Dollar	1.2125	1.2058	1.2342	0.9871
Japanese Yen	0.0134	0.0137	0.0129	0.0086
UK Pound Sterling	1.7788	1.8639	1.8785	1.9518
European Euro	1.6930	1.7306	1.5827	1.4222

FORECASTS

	Real GDP		Unemployment Rate		Consumer Price Index	
	2008	2009	2008	2009	2008	2009
	% Change	*% Change*	*%*	*%*	*% Change*	*% Change*
BRITISH COLUMBIA						
BC Government (September 2008, 1st Quarterly Rpt)	1.7	2.3	4.4	4.4	2.2	2.0
Credit Union Central BC (August 2008)	1.5	1.8	4.6	4.8	2.2	1.6
Conference Board of Canada (October 27, 2008)	1.2	1.8	4.4	5.4	-	-
Scotia Bank Group (December 17, 2008)	1.5	-0.4	4.5	5.6	-	-
TD Bank (December 23, 2008)	1.4	-1.0	4.5	5.3	2.2	0.4
CIBC WM Economics (November 28, 2008)	1.5	1.5	4.3	5.2	2.1	2.3
Global Insight (November 2008)	1.5	0.7	4.4	5.0	2.2	1.4
CANADA						
TD Bank (December 10, 2008)	0.7	-1.4	6.1	7.7	2.5	0.5
CIBC WM Economics (December 18, 2008)	0.6	-0.3	6.1	7.3	2.3	1.5
Global Insight (December 2008)	0.7	-0.4	6.1	7.0	2.4	1.1
UNITED STATES						
TD Bank (December 10, 2008)	1.1	-2.0	5.7	8.4	4.1	0.5
CIBC WM Economics (December 18, 2008)	1.2	-0.6	5.8	7.3	3.9	0.9
Global Insight (December 2008)	1.2	-1.8	5.8	8.2	3.8	-1.5

dash (-) indicates not available

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